

1 **Title 4. Business Regulations**
2 **Division 18. California Gambling Control Commission**
3 **Chapter 7. Conditions of Operation for Gambling Establishments**

4 **Article 3. Minimum Internal Control Standards for Gambling**
5 **Establishments (MICS)**

6 **12381. Extension of Credit, Check Cashing, and Automatic Teller Machines**
7 **(ATMs)**

8 (a) A licensee may extend credit to a patron if, prior to extending credit to the patron, the
9 licensee determines that an extension of credit is not prohibited by any statute, law,
10 regulation, or local ordinance. In addition to complying with all laws regarding the
11 issuance of credit, a licensee that extends credit to a patron shall address, in policies
12 and procedures, the following requirements for the extending and collecting of credit:

13 (1) Establish a method for determining the maximum amount which will be advanced
14 to a patron.

15 (2) Prior to extending credit to a patron, ensure that the person requesting the credit
16 is positively identified by examining the patron's valid driver's license or another
17 acceptable method of identification. In addition, ensure that one of the following
18 has been met:

19 (A) Receipt of information from a bona fide credit-reporting agency that the patron
20 has an established credit history consistent with approved credit policies.

21 (B) Examination of records of previous credit transactions with the patron
22 showing that the patron has paid substantially all credit instruments and
23 otherwise document that it has a reasonable basis for extending the amount
24 to the patron.

25 (3) An owner or designated key employee other than a dealer must approve any
26 credit application.

27 (b) For each patron that is issued credit, the following information shall be collected and
28 maintained:

29 (A) Patron's name, current address, and signature;

30 (B) A photocopy of picture identification, such as a driver's license or passport;

31 (C) Basis upon which credit verified, as listed in subsection (a)(2);

32 (D) Documentation of authorization by a person designated by management to
33 approve credit;

34 (E) Authorized credit limit; and

35 (F) Credit balance outstanding and payments.

36 (c) If an extension of credit is delinquent for more than 90 days, the person to whom
37 credit was extended shall be prohibited from obtaining additional credit until the
38 amount owed is paid in full.

- 1 (d) No gambling enterprise employee may cash any check if cashing such a check is
2 prohibited by any statute, regulation, or ordinance. No gambling enterprise
3 employee may cash any check drawn against any federal, state, county, or other
4 government fund, including, but not limited to, social security, unemployment
5 insurance, disability payments, or public assistance payments, as outlined in
6 Business and Professions Code section 19841, subdivision (q), unless the check is
7 for wages or the payment of goods or services.
- 8 (e) A licensee who does not deposit a patron's check within three banking days of
9 receipt shall be considered to have extended credit to that patron.
- 10 (f) A licensee shall not allow a patron to repurchase a personal check with a
11 subsequent personal check or checks, unless that patron has been approved for an
12 extension of credit as provided in this Article and the amount of the check to be
13 replaced is within the patron's credit limit.
- 14 (g) A licensee that cashes checks for a patron shall address, in policies and procedures,
15 the following requirements for the cashing of checks:
- 16 (1) Prior to cashing a check for a patron, the cage cashier shall determine that
17 cashing such check is not prohibited;
- 18 (2) If personal checks, cashier's checks, or payroll checks are cashed, the cage
19 cashier shall examine and, if the patron is not approved for credit, record at least
20 one item of personal identification, such as a valid driver's license number.
- 21 (3) Records of all returned checks shall be maintained by the accounting department
22 or owner and shall include, at a minimum, the following:
- 23 (A) Date of the check.
- 24 (B) Name of the customer presenting the check.
- 25 (C) Amount of the check.
- 26 (D) Date(s) the check was dishonored.
- 27 (E) Date(s) and amount(s) of any collection received on the check after being
28 returned by a bank.
- 29 (4) If a first-party check is dishonored, the person who proffered the check shall be
30 prohibited from cashing additional personal checks until the amount owed is paid
31 in full, but may replace a dishonored check in accordance with the policies of the
32 licensed gambling establishment.
- 33 (h) A licensed gambling establishment shall not have an ATM (automatic teller machine
34 or cash- or voucher- dispensing machine) accessible by an individual while
35 physically seated at a gaming table.
- 36 (i) ATMs shall be configured to reject Electronic Benefit Transfer cards (EBTs) issued
37 by the State of California or by any city, county, or city and county therein.

38 Authority cited: Sections 19811, 19823, 19840, 19841(o) and (q), and 19920, Business and Professions
39 Code.

40 Reference: Sections 19801 and 19920, Business and Professions Code.

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2 **Article 4. Accounting and Financial Reporting**

3 **12410. Unclaimed or Abandoned Property**

4 A licensee shall establish policies and procedures which comply with California's
5 Unclaimed Property Law (Code Civ. Proc., section 1500 et seq.), regarding unclaimed
6 chips, cash, and cash equivalents left at a gaming table or in inactive player's banks,
7 uncashed checks issued by the licensee to a patron, and uncashed checks drawn on a
8 licensee's account.

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10 If California's Unclaimed Property Law (Code Civ. Proc., section 1500 et seq.) does not
11 apply, then the licensee shall send any unclaimed or abandoned money for deposit into
12 the Gambling Addiction Program Fund for problem gambling prevention and treatment
13 services through the Department of Alcohol and Drug Programs, Office of Problem and
14 Pathological Gambling. Records of the date and amount sent shall be kept by the
15 licensee.

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18 Authority cited: Sections 19811, 19840, 19841(g), (h), and (j), and 19920, Business and Professions
19 Code.

20 Reference: Sections 19801 and 19841(g), (h), and (j), and 19954, Business and Professions Code.
21 Section 4369.4, Welfare and Institutions Code.

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